



## Second-Tier Pass-Through Entity Owner Statement and Waiver Request

For tax year beginning         and ending

### First-Tier Pass-Through Entity Information

Name		FEIN	<input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Mailing Address		Entity Type Code	<input type="text"/> <input type="text"/> <input type="text"/>
City	State	Zip Code + 4	
Pass-Through Entity Contact Person and Phone Number			

1. Will the first-tier pass-through entity file an initial return this year? ☐ Yes ☐ No
2. Will the first-tier pass-through entity file a final return this year? ☐ Yes ☐ No

### Second-Tier Pass-Through Entity Information

Name		FEIN	<input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Mailing Address		Entity Type Code	<input type="text"/> <input type="text"/> <input type="text"/>
City	State	Zip Code + 4	

1. Will the second-tier pass-through entity file an initial return this year? ☐ Yes ☐ No
2. Will the second-tier pass-through entity file a final return this year? ☐ Yes ☐ No
3. Will the second-tier pass-through include all of its owners in a composite income tax return?  
If the answer is yes, do not complete page 2. ☐ Yes ☐ No

### Waiver Request

If a first-tier pass-through entity properly completes Form PT-STM, establishing that the second-tier pass-through entity's distributive share of Montana source income will be fully accounted for in Montana income tax returns, the requirement to file a composite return or pay tax on behalf of the second-tier pass-through entity is waived on the condition that the first-tier entity agrees to pay amounts that should have been remitted within 60 days after notice from the department that all Montana returns were not filed or all Montana taxes have not been paid.

### Multiple Year Request

If a first-tier pass-through entity requests a conditional waiver of the requirement to withhold or include a second-tier pass-through entity in a composite return for multiple tax years, the first-tier pass-through entity must agree to notify the department if the ownership of the second-tier pass-through entity and the ownership of any higher-tier entity changes and agree to pay amounts that should have been remitted within 60 days after notice from the department that all Montana returns were not filed or all Montana taxes have not been paid.

The first-tier pass-through entity agrees to these terms and requests a multiple year waiver. ☐ Yes ☐ No

### First-Tier Entity Signature

I, the undersigned, declare under penalty of false swearing, that I am authorized to make this statement and request this waiver on behalf of the first-tier pass-through entity, and that the statement, including all accompanying attachments, is, to the best of my knowledge and belief, true, correct and complete.

Signature	Date
<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Printed Name of Signatory	Title
<input type="text"/>	<input type="text"/>

Please indicate the number of pages included with the Form PT-STM (including this page).



**Pass-Through Entity Owner Information (List the owners of the second-tier, third-tier, etc.).**

	Name Street Address or PO Box City   State   Zip Code	Entity Type and Identification Number (FEIN or SSN)	Residency Code (R/N)	Composite	Will this owner file a MT tax return for the current tax year?	FEIN of the entity that this owner has an interest and percent of the ownership
1		Entity Type <input type="text"/>	<input type="checkbox"/> R	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="text"/> - <input type="text"/>
		FEIN <input type="text"/>	<input type="checkbox"/> N	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="text"/> - <input type="text"/>
		SSN <input type="text"/>			<input type="checkbox"/> Don't Know	<input type="text"/> . <input type="text"/> %
2		Entity Type <input type="text"/>	<input type="checkbox"/> R	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="text"/> - <input type="text"/>
		FEIN <input type="text"/>	<input type="checkbox"/> N	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="text"/> - <input type="text"/>
		SSN <input type="text"/>			<input type="checkbox"/> Don't Know	<input type="text"/> . <input type="text"/> %
3		Entity Type <input type="text"/>	<input type="checkbox"/> R	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="text"/> - <input type="text"/>
		FEIN <input type="text"/>	<input type="checkbox"/> N	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="text"/> - <input type="text"/>
		SSN <input type="text"/>			<input type="checkbox"/> Don't Know	<input type="text"/> . <input type="text"/> %
4		Entity Type <input type="text"/>	<input type="checkbox"/> R	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="text"/> - <input type="text"/>
		FEIN <input type="text"/>	<input type="checkbox"/> N	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="text"/> - <input type="text"/>
		SSN <input type="text"/>			<input type="checkbox"/> Don't Know	<input type="text"/> . <input type="text"/> %
5		Entity Type <input type="text"/>	<input type="checkbox"/> R	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="text"/> - <input type="text"/>
		FEIN <input type="text"/>	<input type="checkbox"/> N	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="text"/> - <input type="text"/>
		SSN <input type="text"/>			<input type="checkbox"/> Don't Know	<input type="text"/> . <input type="text"/> %
6		Entity Type <input type="text"/>	<input type="checkbox"/> R	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="text"/> - <input type="text"/>
		FEIN <input type="text"/>	<input type="checkbox"/> N	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="text"/> - <input type="text"/>
		SSN <input type="text"/>			<input type="checkbox"/> Don't Know	<input type="text"/> . <input type="text"/> %
7		Entity Type <input type="text"/>	<input type="checkbox"/> R	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="text"/> - <input type="text"/>
		FEIN <input type="text"/>	<input type="checkbox"/> N	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="text"/> - <input type="text"/>
		SSN <input type="text"/>			<input type="checkbox"/> Don't Know	<input type="text"/> . <input type="text"/> %
8		Entity Type <input type="text"/>	<input type="checkbox"/> R	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="text"/> - <input type="text"/>
		FEIN <input type="text"/>	<input type="checkbox"/> N	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="text"/> - <input type="text"/>
		SSN <input type="text"/>			<input type="checkbox"/> Don't Know	<input type="text"/> . <input type="text"/> %
9		Entity Type <input type="text"/>	<input type="checkbox"/> R	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="text"/> - <input type="text"/>
		FEIN <input type="text"/>	<input type="checkbox"/> N	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="text"/> - <input type="text"/>
		SSN <input type="text"/>			<input type="checkbox"/> Don't Know	<input type="text"/> . <input type="text"/> %
10		Entity Type <input type="text"/>	<input type="checkbox"/> R	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="text"/> - <input type="text"/>
		FEIN <input type="text"/>	<input type="checkbox"/> N	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="text"/> - <input type="text"/>
		SSN <input type="text"/>			<input type="checkbox"/> Don't Know	<input type="text"/> . <input type="text"/> %

If additional space is needed, please make copies of this page. We do not accept the information from this page in other formats.



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## Form PT-STM Instructions

### What is the purpose of Form PT-STM?

If a first-tier pass-through entity has a partner that is a second-tier pass-through entity (partnership, S corporation or disregarded entity), then the first-tier pass-through entity is required to either withhold tax on behalf of the second-tier pass-through partner or include that partner in a composite return unless the first-tier entity has a waiver of the requirement to withhold.

To apply for a waiver of the requirement to withhold on behalf of a second-tier pass-through entity partner, either a first-tier or second-tier pass-through entity must complete and file Form PT-STM. A separate Form PT-STM must be filed for each second-tier pass-through entity partner for which the first-tier pass-through entity is applying for a waiver of the withholding requirement.

### Who prepares this statement?

An authorized representative of either a first-tier or a second-tier pass-through entity must complete Form PT-STM. If a second-tier pass-through entity completes and files Form PT-STM, it must notify and provide a copy of the form to the first-tier pass-through entity. If a second-tier pass-through entity files Form PT-STM, the first-tier pass-through entity is still subject to the filing requirements provided in ARM 42.9.106(1) and (2). Form PT-STM is not valid unless it is signed and dated by an officer or other individual who is authorized to sign on behalf of the first-tier pass-through entity.

A first-tier pass-through entity must file Form PT-STM at least 45 days before the original due date of the first-tier pass-through entity's return.

### How does either a first-tier or second-tier pass-through entity file the Form PT-STM?

Form PT-STM must be filed 45 days before the original due date of a first-tier pass-through entity's return. For example if a return is due by April 15, 2015, the Form PT-STM will be due by March 1, 2015.



A pass-through entity can electronically file Form PT-STM through our website. Filing electronically is simple and secure.

In addition, the pass-through entity will receive confirmation that the form was filed. For more information, please visit [revenue.mt.gov](http://revenue.mt.gov) and check out Taxpayer Access Point (TAP).

The Form PT-STM can also be mailed to:

Montana Department of Revenue  
Attn: Form PT-STM  
P.O. Box 5805  
Helena, MT 59604-5805

### How often does a Form PT-STM have to be filed?

Unless the first-tier pass-through entity receives a multiple year waiver, Form PT-STM must be completed each year a first-tier pass-through entity does not include a second-tier pass-through entity in a composite return or withhold on behalf of the second-tier pass-through entity. To apply for a multiple year waiver, a first-tier pass-through entity has to agree to the terms described on page 1 of Form PT-STM.

### Can a Form PT-STM be filed to obtain a waiver of the withholding requirements for a second-tier entity that is an estate or trust?

No, an estate or trust is not considered a pass-through entity as provided in Montana Code Annotated, 15-30-2101(24). If a first-tier pass-through entity wants the requirement to withhold on behalf of an estate or trust waived, the correct form to file is Form PT-AGR.

### What occurs if a first-tier pass-through entity is part of a multi-tiered structure and each of the owners of all higher tiers cannot be identified?

If a Form PT-STM does not identify every owner who receives Montana source income from the second-tier pass-through entity, the waiver request will be denied and the first-tier pass-through entity will either have to include the second-tier pass-through entity in a composite return or withhold for that entity. A first-tier pass-through entity must also verify that every owner to whom Montana source income is distributed will file a Montana return.

### How does a first-tier pass-through entity know if it has a waiver of the requirement to withhold for a second-tier pass-through entity?

For each Form PT-STM a pass-through entity files, the department will issue a conditional waiver of the requirement to withhold or a denial of the waiver. If the first-tier pass-through entity receives a conditional waiver, then it does not have to include the second-tier pass-through entity (for which it filed Form PT-STM) in a composite return or withhold on behalf of that second-tier pass-through entity. However, if a first-tier pass-through entity receives a denial of the waiver, then the first-tier pass-through entity has to include the second-tier pass-through entity (for which it filed Form PT-STM) in a composite return or withhold on behalf of that second-tier pass-through entity.

### If a first-tier pass-through entity does not pay the tax it owes in a timely manner, will interest and penalties be assessed?

Yes, if tax is not paid by the original filing deadline of the first-tier pass-through entity's tax return, then any unpaid tax will be assessed interest and penalties until paid in full.

**Use the following entity type codes to complete the form:**

- C corporation doing business in MT (C)
- C corporation not doing business in MT (FC)
- Disregarded entity (DE)
- Estate (E)
- Individual (I)
- Partnership (PS)
- Publicly Traded Partnership (PTP)
- S corporation (S)
- Trust (T)
- Tax Exempt entity (TE)

**Page 1 – Second-Tier Pass-Through Entity Owner Statement and Waiver Request**

Identify the tax year. If applying for a multiple year waiver, identify the tax year that the waiver should begin.

- **First-Tier Pass-Through Entity Information** – Enter the name, mailing address, entity type code and federal employer identification number (FEIN) for the first-tier pass-through entity.
- **Second-Tier Pass-Through Entity Information** – Enter the name, mailing address, entity type code and federal employer identification number (FEIN) for the second-tier pass-through entity.

**Page 2 – Pass-Through Entity Owner Information (third-tier, fourth-tier, etc.)**

Unless the second-tier pass-through entity includes all of its owners in a composite return, page 2 must be completed.

- **Name and Address** – For each owner of the second-tier and higher tier pass-through entities (if applicable), provide the name, mailing address, entity type code and federal employer identification number (FEIN) or social security number (SSN).

- **Residency Code** – If the owner is an individual, estate or trust and a resident, mark the 'R' box. If the owner is an individual, estate or trust and a nonresident, mark the 'N' box.
- **Composite** – Indicate whether an owner is included in a Montana composite return of a lower-tier pass-through entity.
- **Will this owner file a MT tax return for the current tax year?** – Indicate whether each owner will file a Montana return this tax year.

If a first-tier pass-through entity does not know whether the owner will file a Montana return, then the form cannot be completed. Do not submit the form. The first-tier pass-through entity must include the second-tier pass-through entity in a composite tax return or pay tax on behalf of the second-tier pass-through entity.

- **FEIN of the entity that this owner has an ownership interest in** – Include the FEIN of the entity in which the owner has an ownership interest. Identify the owner's ownership percentage as reported on the Montana Schedule III included with the tax return of that entity.
- **Important:**
  - Include all owners on the request.
  - If additional space is needed, make copies of the second page.
  - We do not accept the information from the second page in other formats.
  - If the required information is not provided on the second page or copies of the second page, the request for a waiver will be denied.

**Administrative Rules of Montana: 42.9.106**

**Questions?** Please call us toll free at (866) 859-2254 (in Helena, 444-6900).